



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

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TENNESSEE FILES SUIT IN VILLAGE LIFE CASE

FLOWERS ASKS COURT TO FORCE RE-PAYMENT OF ASSETS

Commerce and Insurance Commissioner Paula Flowers has filed suit to recover more than \$500,000 taken from Tennesseans who invested in Village Life Inc.

The action is part of a two-year investigation by the Department of Commerce and Insurance Securities Division. The state alleges that Freddie Lee Carr, Jenelle Cedeno Carr and Jamie West created the Village Life investment scheme in 2001 and then used the company's \$799,823.50 in proceeds to fund their lavish lifestyle.

The state alleges that Village Life enticed investors by promising they could invest a relatively small amount – as little as \$1,500 – and by recruiting other investors eventually net enough return to buy expensive houses or cars. None of the principals in Village Life was registered to sell securities, and the investment scheme was not registered with the state as required by law.

“Investors should always do thorough research on an investment, and the person offering it, before putting money down,” said Daphne Smith, Asst. Commissioner for Securities. “Always investigate before you invest.”

In March, 2003, Village Life was placed in receivership and its assets were frozen, including \$277,328.29 from bank accounts. But, according to receivership documents filed in the case, the Carrs and West used more than \$250,000 in 2002-2003 for personal expenses.

In a Motion for Summary Judgment, Flowers asks the Davidson County Chancery Court to order the Carrs and West to pay back \$509,203.10 they looted from investors. The assets allegedly purchased with the money include several cars and the Carr's personal residence in LaVergne. If the order is granted, those and other assets purchased with Village Life funds can be seized, sold, and their proceeds used to repay investors.

The relevant court documents in the case can be viewed on the Department of Commerce and Insurance Website at: <http://www.state.tn.us/commerce/securities/index.html>.

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